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THE RISE OF TELECOMMUTING: EMBRACING THE VIRTUAL WORKFORCE

HOW CAN ORGANIZATIONS BEST RESPOND TO THE GROWING POPULARITY OF
WORK-AT-HOME PROGRAMS?

THE RISE OF TELECOMMUTING: EMBRACING THE VIRTUAL WORKFORCE

By The Jacobson Group

In the past there was a fine geographical line between work and home. Employees would commute to the office each morning for a full day of work then return home at the end of the day to rest and find comfort with their families. But times have changed. The line has blurred between work and home as employees increasingly prefer to work remotely. In fact, 77 percent of candidates consider flexible work arrangements a major benefit to consider in evaluating job opportunities.¹ Now work-at-home (WAH) is a popular practice for many industries looking to recruit and retain top talent.

Yet many insurers are still reluctant to promise WAH opportunities to their employees and potential new hires. Meanwhile, many non-local candidates do not consider relocation a viable option. A required physical presence complicates recruiting strategies and narrows the industry's talent pool, restricting organizations' access to talented professionals who do not wish to relocate. It is important that insurers embrace the WAH trend and create an accommodating environment for their remote employees.

UNDERSTANDING THE VALUE OF WAH

Today's typical WAH employee is no longer a young professional with a personal laptop sitting in a local coffee shop. Nor is it a working mother juggling her children's after-school swimming practice with important



conference calls. Today's average telecommuter is 46 years of age or older with at least a bachelor's degree earning a higher median salary than an in-office worker.² The WAH revolution is no longer a phenomenon for select demographics. Everyone is in the game.

Many leading industries and rising startups have moved beyond geographical boundaries in the recruitment process. In fact, 43 percent of Americans were

spending at least some time working remotely in 2016.³ As a result, thought leaders across all disciplines and industries are advocating for companies to take part in the movement and ultimately excel at talent management in today's business reality. Organizations are steadily breaking away from their long-established corporate structures and policies.

Today's insurance industry is continuously challenged by an aging workforce and

lack of emerging talent, severely limiting the pool of candidates. Implementing a WAH program opens doors to all industry professionals across the country, even around the world, to join their organizations. It also allows hiring managers to consider candidates, such as working parents or caregivers, to join their teams while maintaining their family commitments. Being open to telecommuting is a crucial step toward overcoming the mounting talent crisis.

In addition to influencing an employer's ability to recruit talent, telecommuting options have a positive impact on employee engagement. Challenges such as long commutes and lack of work-life balance plague modern professionals and

adversely affect their engagement. As a result, they often leave their current positions for better benefits or their productivity suffers.

Telecommuting opportunities help address these issues by reducing stress and boosting employee morale. Not only are telecommuters happier with their employers, they are less stressed and are nearly 20 percent more satisfied with their jobs than their office-bound counterparts.⁴ Moreover, offering WAH opportunities has helped organizations reduce employee turnover and decrease job attrition rates by more than 50 percent.⁵

Some insurers are already familiar with the importance of WAH programs. Many





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leading property and casualty insurers and health carriers, for example, have been open to remote employees in response to seasonal demands, such as major CAT events and open enrollment periods. They leverage temporary WAH professionals to help mitigate these planned and unplanned workload fluctuations.

DEBUNKING WAH MYTHS

Many commonly associate a telecommuting program with excessive spending. For leaders already committed to huge technological investments to pursue innovation agendas, establishing and maintaining WAH programs may seem like an additional financial burden. But on the contrary, instituting a telecommuting program is an opportunity for immense cost savings. Thanks to telephone routing, VPN networks and cloud computing, the cost of implementing a WAH program is minimal, saving \$11,000 per year for each remote employee.⁶ Some companies even reported up to a 30 percent reduction in overhead after instituting a WAH program.⁷

Insurance leaders also worry remote employees will not have access to the connectivity and comradery that arise from face-to-face interactions. They are concerned remote employees will feel isolated from their teams and organizations, resulting in reduced productivity and engagement. Many insurers also harbor the long-held belief that creativity can only flourish from in-person interactions. As a result, some employers prefer to offer relocation assistance for their new hires instead of providing WAH options.

Fortunately, modern technology provides organizations a number of tools to keep employees connected. Virtual meetings through video conferencing programs, such as Skype, WebEx, and GoToMeeting, now allow managers to recreate the in-person experience and facilitate strong teamwork. In fact, 87 percent of remote workers report feeling more connected through the use of face-to-face video meetings.⁸ It is important that insurers strategically invest in upgrading their telecommunications technology and video conferencing software to support enterprise WAH programs.

Others have not actively engaged in the remote revolution due to concerns about managing employee performance. Obviously, no one is physically present to monitor remote employees during their work hours. Many leaders are convinced employees would be sidetracked and not provide their best work. They also worry internal communications will be less efficient, slowing down progress on collaborative projects.

In contrast, providing telecommuting options also helps employers improve employee engagement rates. When offered flexible work arrangements, employees are more satisfied with their jobs and are likely to show improved productivity. The message is simple: instituting WAH programs is an opportunity to gain a formidable advantage in employee satisfaction and engagement, ultimately resulting in a competitive advantage in today's business market.

EMBRACING THE REMOTE REVOLUTION

When instituting a WAH program, it is

important that insurers set well-defined policies in regards to remote employees' work environment and hours. Granting telecommuting opportunities does not mean employees can work wherever they want, whenever they want. Rather, employers should set workspace guidelines to ensure their staff can provide consistent performance and engagement. At the same time, managers and employees must come to an agreement on their expectations and set specific goals for each project to best manage individual performance. By setting realistic guidelines on when and how certain tasks should be completed, managers can supervise effectively without constantly watching over employees' shoulders.

Improving corporate culture is a significant opportunity for insurers to boost rapport and encourage connections between in-office workers and remote employees. Many tend to focus on tangible perks, such as in-office Ping-Pong tables or free snacks, when they think of culture; but culture ultimately describes how well employees work and interact with others. Organizations need to ensure they have communication platforms where remote and in-office employees can come together for informal conversations. Through virtual connections, WAH employees can stay engaged in their work and build the relationships necessary to remain committed to the company.

Insurers may also want to consider holding in-office days and company retreats to help increase comradery. Online meetings, chats and video conferencing can only go so far, and business teams should be spending some amount of time in-person. In-

person events allow professionals to learn more about each other, improve rapport and develop more personal connections. Quarterly lunches, off-site meetings or annual company retreats allow the workforce to remain engaged and maintain, or even increase, productivity regardless of their locations.

As remote working becomes a crucial element of successful talent management, insurers should embrace the trend and open doors to remote professionals in order to overcome today's talent crisis. Telecommuting programs create a greater talent pool and increase employee retention and engagement rates. Carriers should revisit their talent management strategies and ensure their corporate culture incorporates the remote workforce to attain greater business benefits. Today's employees are no longer confined to brick and mortar spaces and insurers must not overlook the importance of establishing and maintaining a sustainable virtual workplace.



Sources

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